

FCC Form 481 - Carrier Annual Reporting  
Data Collection FormFCC Form 481  
OMB Control No. 3060-0084/OMB Control No. 3060-0015  
July 2015

<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKSBURG
<020>	Program Year	2017
<030>	Contact Name: Person USAC should contact with questions about this data	Christopher Ulmer
<035>	Contact Telephone Number: Number of the person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	culmer@icorellc.com
	Form Type	54.313 and 54.422

<b>(100) Service Quality Improvement Reporting Data Collection Form</b>		FCC Form 481 OMB Control No. 3060-0585/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KICKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Uimer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@corellc.com

<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input checked="" type="radio"/> <input type="radio"/>
<111>	If your answer to Line <110> is yes, do you have an existing § 54.202(a) "5 year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, please file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

- <112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

170156PA112.pdf

Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
- <114> Report how much universal service (USF) support was received
- <115> How much (USF) was used to improve service quality and how support was used to improve service quality
- <116> How much (USF) was used to improve service coverage and how support was used to improve service coverage
- <117> How much (USF) was used to improve service capacity and how support was used to improve service capacity
- <118> Provide an explanation of network improvement targets not met in the prior calendar year.

Yes
Yes
Yes
Yes
Yes
Yes

<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - ROCKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Diner
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109289993 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	cdiner@icorellc.com

No

REDACTED - FOR PUBLIC INSPECTION

**(300) Unfulfilled Service Request  
Data Collection Form**FCC Form 481  
OMB Control No. 3060-0996/OMB Control No. 3060-0815  
July 2013

<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@icorellc.com

&lt;300&gt; Unfulfilled service request (voice)

0

&lt;310&gt; Detail on attempts (voice)

Name of Attached Document

&lt;320&gt; Unfulfilled service request (broadband)

0

&lt;330&gt; Detail on attempts (broadband)

Name of Attached Document

(400) Number of Complaints per 1,000 customers Data Collection Form	EC Form 431 OMB Control No. 3060-0988/OMB Control No. 3060-0818 July 2013
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<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283993 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@acorellc.com
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed voice
<410>	Complaints per 1000 customers for fixed voice	0.0
<420>	Complaints per 1000 customers for mobile voice	
<430>	Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed broadband
<440>	Complaints per 1000 customers for fixed broadband	0.0
<450>	Complaints per 1000 customers for mobile broadband	

**(500) Compliance With Service Quality Standards and Consumer Protection Rules**  
**Data Collection Form**FCC Form 481  
OMB Control No. 3050-0585/OMB Control No. 3050-0819  
July 2013

<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109287903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@icovelle.com
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	

170156PA510.pdf

(600) Functionality in Emergency Situations Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMA Control No. 3060-0819 July 2013
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<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Olmes
<035>	Contact Telephone Number - Number of person identified in data line <030>	6107283993 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@icorellc.com
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	170156PA610 .pdf

**(700) Price Offerings Including Voice Rate Data  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109287903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@icorallc.com
<701>	Residential Local Service Charge Effective Date	1/1/2016
<702>	Single State-wide Residential Local Service Charge	

[illegible]



<D10>	Study Area Code	170156
<D15>	Study Area Name	CITIZENS - KECKSBURG
<D20>	Program Year	2017
<D30>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<D35>	Contact Telephone Number - Number of person identified in data line <D30>	6109283903 ext.
<D39>	Contact Email Address - Email Address of person identified in data line <D30>	culmer@icorellc.com

[illegible]

<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109281903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer71@copellc.com
<810>	Reporting Carrier	Citizens Telephone Company of Kecksburg
<811>	Holding Company	Not Applicable
<812>	Operating Company	Citizens Telephone Company of Kecksburg

[illegible]

<b>(900) Tribal Lands Reporting Data Collection Form</b>		FDL Form 451 OWB Control No. 3060-0986/OWB Control No. 3060-0915 July 2013	
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<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKEBOURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109263963 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmar@icorellc.com
<900>	Does the filing entity offer tribal land services? (Y/N)	No

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

<921>	Needs assessment and deployment planning with a focus on Tribal community anchor institutions.	
<922>	Feasibility and sustainability planning;	
<923>	Marketing services in a culturally sensitive manner;	
<924>	Compliance with Rights of way processes	
<925>	Compliance with Land Use permitting requirements	
<926>	Compliance with Facilities Siting rules	
<927>	Compliance with Environmental Review processes	
<928>	Compliance with Cultural Preservation review processes	
<929>	Compliance with Tribal Business and Licensing requirements.	

Select Yes or No or Not Applicable

**(1000) Voice and Broadband Service Rate Comparability  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0926/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KRCKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	61.09283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@corellc.com

<1000> Voice services rate comparability certification Yes

<1010> Attach detailed description for voice services rate comparability compliance 170156PA1010.pdf

\_\_\_\_\_  
Name of Attached Document

<1020> Broadband comparability certification Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau

<1030> Attach detailed description for broadband comparability compliance

\_\_\_\_\_  
Name of Attached Document

**(1100) No Terrestrial Backhaul Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0843  
July 2013

<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulear
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culnerticorelle.com

&lt;1100&gt; Certify whether terrestrial backhaul options exist (Y/N)

Yes

&lt;1130&gt; Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

<b>(1200) Terms and Condition for Lifeline Customers</b>		FCC Form 481
<b>Lifeline</b>		OMB Control No. 3050-0046/OMB Control No. 3050-0043
<b>Data Collection Form</b>		July 2013

<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@icorellie.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

170156PA1210.pdf

Name of Attached Document

<1220> Link to Public Website

HTTP [www.wpa.net](http://www.wpa.net)

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒

<1222> Details on the number of minutes provided as part of the plan, ☒

<1223> Additional charges for toll calls, and rates for each such plan. ☒

<b>(2000) Price Cap Carrier Additional Documentation</b>		FCC Form 441
<b>Data Collection Form</b>		OMB Control No. 3060-0186/OMB Control No. 3060-0819
<i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i>		July 2015

<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283303 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmar2icorellc.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

#### Incremental Connect America Phase I reporting

<2010>	2nd Year Certification 47 CFR § 54.313(b)(1)(i) - Note that for the July 1 2016 certification, this applies to Round 2 recipients of Incremental Support	
<2011>	3rd Year Certification 47 CFR § 54.313(b)(1)(ii) - Note that for the July 1 2016 certification, this applies to Round 1 recipients of Incremental Support	
<2022>	Recipient certifies, representing year two after filing a notice of acceptance of funding pursuant to 54.312(c), that the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1Mbps - 54.313(b)(2)(i). Round 2 recipients only.	
<2023>	The attachment on line 2024 includes a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent. This covers year two - 54.313(b)(2)(ii). Round 2 recipients only.	
<2024A>	Round 2 Recipient of Incremental Support?	
<2024B>	Attach list of census blocks indicating where funding was spent in year two - 54.313(b)(2)(ii). Round 2 recipients only.	Name of Attached Document Listing Required Information
<2025A>	Round 1 or Round 2 Recipient of Incremental Support?	
<2025B>	Attach geocoded Information for Phase I milestone reports (Round 1 for year three and Round 2 for year two) - Connect America Fund, WC Docket 10-90, Report and Order, FCC 13-	Name of Attached Document Listing Required Information
<2015>	2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)	

(2000) Price Cap Carrier Additional Documentation (Continued) Data Collection Form Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers	FCC Form 481 OMB Control No. 3000-0086/OMB Control No. 3160-0015 July 2013
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**Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}**

&lt;2016&gt; Certification support used to build broadband

**Connect America Phase II Reporting {47 CFR § 54.313(e)}**

&lt;2017A&gt; Connect America Fund Phase II recipient?

&lt;2017B&gt; Attach information for Phase II - 54.313(e)(1) - list of geocoded locations already meeting the 54.309 public interest obligations at the end of calendar year 2015 and total amount of Phase II support, if any, the price

 Name of Attached Document Listing  
Required Information

&lt;2018&gt; Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(2)(ii)

 Name of Attached Document Listing  
Required Information

&lt;2019&gt; Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(2)(v)

&lt;2020&gt; Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 40% of its supported locations in the state on December 31, 2017 - 54.313(e)(3)

&lt;2021&gt; Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 60% of its supported locations in the state on December 31, 2018 - 54.313(e)(4)

&lt;2026&gt; Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 80% of its supported locations in the state on December 31, 2019 - 54.313(e)(5)

&lt;2027&gt; Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 100% of its supported locations in the state on December 31, 2020 - 54.313(e)(6)



<010>	Study Area Code	170156
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<035>	Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@icorellc.com

Complete the items below to note compliance with five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3009)	Progress Report on 5 Year Plan Carrier certifies to 54.313(f)(1)(iii)	
(3010A)	Milestone Certification [47 CFR § 54.313(f)(1)(i)]	No - Attach Explanation
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information
(3012A)	Community Anchor Institutions [47 CFR § 54.313(f)(1)(ii)]	No - No New Community Anchors
(3012B)	Please Provide Attachment	Name of Attached Document Listing Required Information
(3013)	Is your company a Privately Held ROR Carrier [47 CFR § 54.313(f)(2)]	<input checked="" type="radio"/> Yes <input type="radio"/> No
(3014)	If yes, does your company file the RUS annual report	(Yes/No) <input type="radio"/> Yes <input checked="" type="radio"/> No
Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:		
(3015)	Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)	<input type="checkbox"/>
(3016)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information
(3018)	If the response is no on line 3014, is your company audited?	(Yes/No) <input type="radio"/> Yes <input checked="" type="radio"/> No
If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:		
(3019)	Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers	<input type="checkbox"/>
(3020)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
(3021)	Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit.	<input type="checkbox"/>
If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:		
(3022)	Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers	<input checked="" type="checkbox"/>
(3023)	Underlying information subjected to a review by an independent certified public accountant	<input checked="" type="checkbox"/>
(3024)	Underlying information subjected to an officer certification.	<input checked="" type="checkbox"/>
(3025)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<input checked="" type="checkbox"/>
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information

(3005) Path of Return Carrier Additional Documentation (Continued)		FCC Form 481
Data Collection Form		OMB Control No. 3010-0046/OMB Control No. 3050-0019
		July 2013

<010> Study Area Code	170156
<015> Study Area Name	CITIZENS - KECKSBURG
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035> Contact Telephone Number - Number of person identified in data line <030>	6169283993 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	culmer@icorellc.com

Financial Data Summary

- (3027) Revenue
- (3028) Operating Expenses
- (3029) Net Income
- (3030) Telephone Plant In Service(TPIS)
- (3031) Total Assets
- (3032) Total Debt
- (3033) Total Equity
- (3034) Dividends


Name of Attached Document Listing Required Information

<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Umer
<035>	Contact Telephone Number - Number of person identified in data line <030>	819283903 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@corellc.com

**4005 Rural Broadband Experiment**

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations, provide a list of newly served community anchor institutions, and provide a list of locations where broadband has been deployed.

**Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)**

Please address Line 4001 regarding compliance with the Commission's public interest obligations. All RBE participants must provide a response to Line 4001.

**4001.** Recipient certifies that it is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas?

**Community Anchor Institutions – FCC 14-98 (paragraph 79)**

**4003a.** RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

If yes to 4003A, please provide a response for 4003B.

**4003b.** Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.

Name of Attached Document Listing Required Information \_\_\_\_\_

**Broadband Deployment Locations – FCC 14-98 (paragraph 80)**

**4004a.** Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481.

Name of Attached Document Listing Required Information \_\_\_\_\_

**4004b.** Attach evidence demonstrating that the recipient is meeting the relevant public service obligations for the identified locations. Materials must at least detail the pricing, offered broadband speed and data usage allowances available in the relevant geographic area.

Name of Attached Document Listing Required Information \_\_\_\_\_

<b>Certification - Reporting Carrier Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0985/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	170156
<015> Study Area Name	CITIZENS - KECKSBURG
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035> Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	culmer@icorellc.com

**TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:**

<b>Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients</b>	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date:
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

<b>Certification - Agent / Carrier Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0586/OMB Control No. 3060-0519 July 2013
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<010> Study Area Code	170156
<015> Study Area Name	CITIZENS - KECKSBURG
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035> Contact Telephone Number - Number of person identified in data line <030>	6109283903 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	culmer@icorellc.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) <u>ICORE Consulting, LLC</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	ICORE Consulting, LLC
Name of Reporting Carrier:	CITIZENS - KECKSBURG
Signature of Authorized Officer:	CERTIFIED ONLINE Date: 06/30/2016
Printed name of Authorized Officer:	Arnold Cutrell
Title or position of Authorized Officer:	Treasurer
Telephone number of Authorized Officer:	7244234444 ext.314
Study Area Code of Reporting Carrier:	170156 Filing Due Date for this form: 07/01/2016
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	CITIZENS - KECKSBURG
Name of Authorized Agent Firm:	ICORE Consulting, LLC
Signature of Authorized Agent or Employee of Agent:	CERTIFIED ONLINE Date: 06/30/2016
Name of Authorized Agent Employee:	Christopher Ulmer
Title or position of Authorized Agent or Employee of Agent:	Manager
Telephone number of Authorized Agent or Employee of Agent:	6109283903 ext.
Study Area Code of Reporting Carrier:	170156 Filing Due Date for this form: 07/01/2016
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

## Attachments

(700) Price Offerings Including Voice Rate Data  
Data Collection Form

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

OMB Control No. 3060-0086/OMB Control No. 3050-0819  
July 2013

<015>	Study Area Name	CITIZENS - KRECKSBURG
-------	-----------------	-----------------------

<020>	Program Year	2017
-------	--------------	------

<030> Contact Name - Person USAC should contact regarding this data Christopher Ulmer

<035> Contact Telephone Number - Number of person identified in data line <030> 6109283903 ext.

<039> Contact Email Address - Email Address of person identified in data line <030> culmerricorellc.com

1/1/2016
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[illegible]

(710) Broadband Price  
Data Collection Form

FCC Form 481  
OMB Control No. 3060-0988/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	170156
<015>	Study Area Name	CITIZENS - KECKSBURG
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Christopher Ulmer
<035>	Contact Telephone Number - Number of person identified in data line <030>	6109202993 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	culmer@icorellie.com

&lt;711&gt;

[illegible]



# SUPPLEMENTAL DATA & RESPONSES



**CITIZENS TELEPHONE COMPANY OF KECKSBURG**  
**FIVE YEAR SERVICE IMPROVEMENT PLAN**  
**JULY 1, 2016 PROGRESS REPORTS**

**EXECUTIVE SUMMARY**

On July 1, 2014, Citizens Telephone Company of Kecksburg ("Kecksburg" or "the Company") submitted a five year service improvement plan as required by 47 C.F.R. §54.202(a). Kecksburg operates a single exchange in western Pennsylvania. Consistent with 47 C.F.R. §54.313(a)(1), the Company now submits its first progress report which reflects activities through May 2015.

At the time the five year service improvement plan was submitted, broadband service was defined as a service with speed of 4 Mbps downstream and 1 Mbps upstream. The FCC's action to change this definition to 10 Mbps downstream and 1 Mbps upstream upon reasonable request was not reflected in the initial plan. This report provides an assessment of the Company's achievements to date in network investment to target the new, higher download speed requirement.

**UNIVERSAL SERVICE SUPPORT / INVESTED**

**SERVICE CERTIFICATION**

As set forth in 47 C.F.R. § 54.313(f)(1)(i), the Company hereby certifies that it is taking reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream. This service offers latency suitable for real-time applications, including

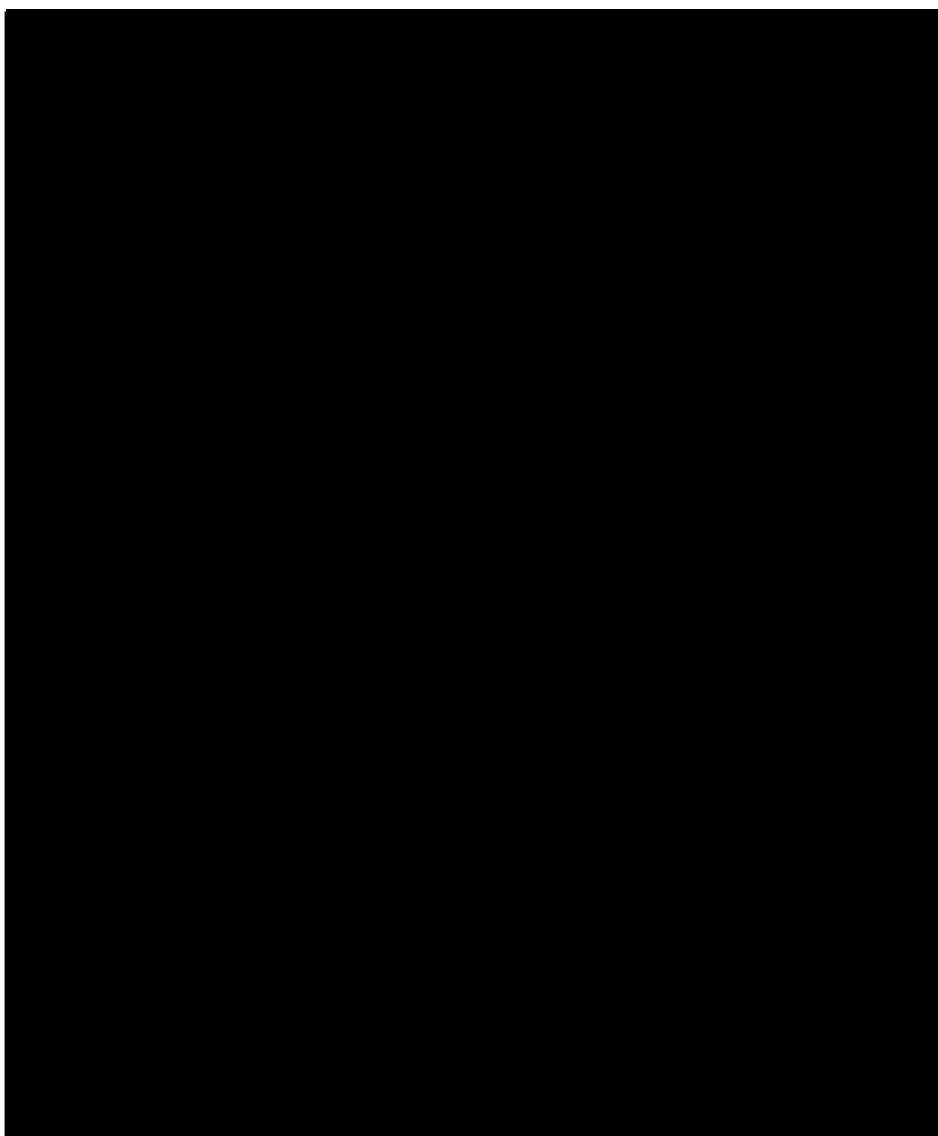
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<sup>1</sup> Allocation in compliance with reporting requirement addressing how federal USF was used by the Company per 47 C.F.R. § 54.313(A)(1).

Voice over Internet Protocol. Usage capacity is reasonably comparable to comparable offerings in urban areas and that requests for such service are met within a reasonable amount of time.

### **SERVICE PROGRESS - EXCHANGE MAP**

Funds received from the universal service support mechanisms, in combination with all other revenue streams will allow the Company to maintain and upgrade the existing broadband network. In the July 1, 2014 five-year plan, the level of 4/1 broadband availability within Kecksburg was 70%. The Company can provide broadband service at 10/1 speeds to more than 80% of customers. The map below shows the Kecksburg Telephone Company study area exchange boundaries and highlights the areas within which broadband was (1) available last year (gray), (2) was added this year (green) and, (3) unavailable (no fill).



#### **RATES AND RATE STABILITY**

New customers are provided rate information at the time they order service. The rate information is prepared based on tariffs which are on file with the state public utility commission and available for inspection at our office. In addition rates are available on the company website. Notices of rate changes proposed by the Company are communicated to the customers through a bill notice or other comparable means. The Company complies with all state and federal rules applicable to rate changes.

#### **PROVIDE SPECIFIC DISCLOSURES IN ADVERTISING**

In advertising of prices for service plans the Company will disclose material charges and conditions related to the advertised prices and services. This notice will provide the potential customer with , including if applicable and to the extent the advertising medium reasonably allows: (1) whether nonrecurring installation charges would apply; (2) the monthly fee associated with the service; (3) whether any additional taxes, fees or surcharges apply; (3) the terms and conditions related to receiving a product or service for "free;" and (4) whether prices or benefits apply only for a limited time or promotional period and, if so, whether any different fees or charges will apply for the remainder of the contract term.

#### **TRUTH-IN-BILLING**

The Company has long maintained compliance with the FCC's Truth-in-Billing rules as set forth in 47 CFR 64.2401. In part, this requires the Company's telephone bill must: (1) be accompanied by a brief, clear, non-misleading plain language description of the service or services rendered; (2) identify the service provider associated with each charge; (3) clearly and conspicuously identify any change in

Company	Citizens Telephone Company of Kecksburg
Study Area Code	170156
Supplemental Data For:	Line 510 – Service Quality Standards and Consumer Protection Rules Compliance

---

service provider; (4) contain full and non-misleading descriptions of charges; (5) identify those charges for which failure to pay will not result in disconnection of the customer's basic local service; and (6) provide a toll free number for customers to call in order to lodge a complaint or obtain information.

Customers' bills will distinguish (1) monthly charges for service and features, and other charges collected and retained by the carrier, from (2) taxes, fees and other charges collected by the carrier and remitted to federal state or local governments. The Company will not label cost recovery fees or charges as taxes.

#### **PROVIDE READY ACCESS TO CUSTOMER SERVICE**

Customers and potential customers may access customer service by visiting the Company's office or by using a toll-free telephone number during normal business hours. Customer service contact information is available at our business office with regular hours posted on the storefront. In addition, this information is available online and on the monthly invoice rendered by the company.

#### **ABIDE BY POLICIES FOR PROTECTION OF CUSTOMER PRIVACY**

The Company complies with all state and federal rules regarding the privacy of customer information. Certification of this compliance is provided annually to the FCC.

#### **RESPONSE TO CONSUMER INQUIRIES AND COMPLAINTS RECEIVED FROM GOVERNMENT AGENCIES**

The Company will respond in writing to state or federal administrative agencies within 30 days of receiving written consumer complaints from any such agency. Should the agency require a shorter interval for response, the Company will use its best efforts to expedite the review of the complaint to provide a response which meets the agency-provided target date.

Company	Citizens Telephone Company of Kecksburg
Study Area Code	170156
Supplemental Data For:	Line 510 – Service Quality Standards and Consumer Protection Rules Compliance

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#### **TERMINATION OF SERVICE**

The Company follows the state public utility commission's rules for termination of service.

Service cannot be terminated without advance notice to the customer. If service is being terminated for non-payment, the customer will have the option to establish a payment plan. So long as the customer adheres to the payment plan, service will not be disconnected.

Customers may terminate service at any time and for any reason. The Company does not assess any termination penalty and the customer is simply required to pay for the services which were used while the service was provided.





Company	Citizens Telephone Company of Kecksburg
Study Area Code	170156
Supplemental Data For:	Line 610 – Description of Functionality in Emergency Situations

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As an initial point, the Company had no service outages during 2015 which met the FCC's threshold for reporting into the Network Outage Reporting System ("NORS").

The Company engages in preventative maintenance programs which help ensure network reliability in all conditions. This includes regular checks on generators, battery back-up, HVAC infrastructure at central office switches, and tree trimming/removal when trees have the potential to take down telephone lines during events of high wind or heavy snow. Access to critical infrastructure (like central office switches) is limited to essential personnel. Spare equipment is maintained in inventory.

Like most local exchange carriers, the Company's network consists of electronic switching equipment and a network of fiber optics and copper facilities. From a switching standpoint, the Company has one primary switch and smaller switches which are fed by the primary switch. These smaller switches are often referred to as intraexchange remote switches or concentrators. The largest threat to switches is the loss of power. To address this, the Company ensures adequate battery back-up is maintained. For emergency situations which extend beyond the useful life of the battery back-up, the Company uses generators to power the switches. These generators are portable which ensures they can be relocated to any switching center based on the specific needs of each switch. In addition, the Company's office will serve as a Command and Control center. This center is included as a primary location to which continuous power is required.

In cases of emergency, the Company's management has contact information for all employees. Depending upon the scope of the emergency, the Company may call-in as many employees as necessary to provide continual telecommunications service. The Company has access to local and regional construction companies which can be called in to supplement the work force if necessary. When poles are down from emergencies, the Company works with other utilities attached to the same poles to expedite the repair or replacement of the infrastructure.

In summation, the Company takes preventative measures to plan for emergency situations and also takes steps to mitigate the risk or duration of such events.



# **Citizens**

TELEPHONE COMPANY  
OF KECKSBURG

June 17, 2016

I, Arnold K. Cutrell, hereby certify that Citizens Telephone Company of Kecksburg pricing of voice services is no more than two standard deviations above the applicable national average urban rate for voice service as specified in the most recent public notice issued by the Wireline Commission Bureau.

Respectfully,



Arnold K. Cutrell, Treasurer



Citizens Telephone Company  
of Kecksburg

Section 3  
Fourth Revised Sheet 5  
Cancels Third Revised Sheet 5

LIFELINE SERVICE

A. DESCRIPTION

Lifeline Service is a federally funded program established to provide monthly assistance to residential low income households who qualify for this service in accordance with the following Regulations.

B. REGULATIONS

1. Lifeline Service is available to qualified residence customers and is provided via a residence individual Dial Tone Line. Lifeline Service is limited to only one Service per qualified customer or (a household is defined as "any individual or group of individuals who are living together as one economic unit" an economic unit is "all adult individuals contributing to and sharing in the income and expenses of a household"). A potential Lifeline customer who has an outstanding final bill for telephone service which is less than (4) years old must pay the entire balance of any Basic Service final bill before being eligible for Lifeline Service.
2. Residence Lifeline Service consists of the following tariffed standard features and optional customer elected services at the applicable rates, charges and regulations for each feature and service provided:
  - a. One-Party Residence Unlimited Service and Local Measured Service, if available.
  - b. Directory Listing (standard only).
  - c. Non-Published or Non-Listed Telephone Number Service.
  - d. Access to Directory Assistance Service.
  - e. Touch Tone Calling Service.
  - f. Access to Message Toll Telephone Service and Optional Dial Station-To-Station Calling Plan Services. However, the Residence Lifeline Dial Tone Line will be blocked from dial station access to 976/556/900 and any other type of Audiotex Service.
  - g. Access to Operator Services.
  - h. Voluntary Toll Restriction Option.
  - i. Access to 800/888 Services.
  - j. Access to Call Trace.
  - k. Access to Alerting and Reporting Systems (9-1-1 dialing).
  - l. Access to the Pennsylvania Telecommunications Relay Service.
  - m. Caller ID Per-call and Per-line Blocking
  - n. Other eligible telecommunications services at tariff rates.

(C)

(C) Indicates Change

Issued: June 29, 2012

Effective: August 1, 2012

Citizens Telephone Company  
of KecksburgSection 3  
Fifth Revised Sheet 6  
Cancels Fourth Revised Sheet 6

## LIFELINE SERVICE

## B. REGULATIONS (cont.)

3. An applicant for Lifeline Service must be a current participant in one of the following Pennsylvania programs, or be able to provide proof of household income which is at or below 135% of the annual Federal Poverty Guidelines for all States (except Alaska and Hawaii) and the District of Columbia. Recertification of Lifeline Service participants must be conducted annually by Citizens Telephone Company of Kecksburg to ensure continued eligibility. Lifeline customers have the responsibility to notify the Telephone Company within thirty (30) days of a change in eligibility status if they no longer qualify for Lifeline Service.

Pennsylvania Department of Public Welfare Lifeline Service Programs:

- \* Temporary Assistance for Needy Families (TANF)
- \* \* \*
- \* Supplemental Security Income (SSI)
- \* Medicaid
- \* Supplemental Nutrition Assistance Program (SNAP) (f/k/a Food Stamps)
- \* Low Income Home Energy Assistance Program (LIHEAP)

(C)

Additional Eligible Programs (Federal)

- \* Federal Public Housing
- \* National School Free Lunch Program

The DPW Programs listed above must be certified by DPW. Such certification by DPW will be provided only when a DPW client requests Lifeline Service based on the client's status as a participant in any of the above eligibility programs. Certification by DPW will be limited to confirmation of the client's program status (i.e., participation or non-participation). Participation by DPW is subject to execution of an agreement with DPW and Citizens Telephone Company of Kecksburg.

4. Lifeline Service will be provided to a customer only so long as such customer continues to meet the participation and certification guidelines in B. 3 above. At the time of initial establishment of Lifeline Service, the customer agrees to have his or her eligibility recertified annually by Citizens Telephone Company of Kecksburg. When the Company is notified by the customer or determines through recertification that the Lifeline Service customer is no longer a participant in the DPW programs in B. 3 above or otherwise low-income eligible, the customer will be notified (by telephone or letter) that the Lifeline Service rate is no longer applicable. Within the stated customer notification period (30 days from the date of the notification), the customer can contact the Company to negotiate new Dial Tone Service arrangements at applicable tariff rates (no connection charges will apply for existing services or options retained). If the customer does not contact the Company by the end of the notification period, the Lifeline Service will be changed to applicable Exchange Area Dial Tone Line service at existing tariff rates (no connection charges will apply to existing services or options retained).

(C) Indicates Change

Issued: November 16, 2012

Effective: November 17, 2012

Citizens Telephone Company  
of Kecksburg

Section 3  
Second Revised Sheet 7  
Cancels First Revised Sheet 7

LIFELINE SERVICE

B. REGULATIONS (cont'd)

5. A Lifeline Service customer may not subscribe to any other type of residence Local Exchange Service at the same or other premises. Lifeline Service will not be provided via Foreign Exchange or Foreign Central Office Service arrangements.
6. Only services listed in B (2) above will be provided to Lifeline customers.
- \* \* \*
7. Customer requested temporary suspension of Lifeline Service is not permitted.
8. Lifeline Service does not apply to applicants who are full time students living in university or college controlled housing.
9. The applicant must not be a dependent for Federal Income Tax purposes, unless he or she is 60 years of age or older.
10. Lifeline customers are subject to all Residence service regulations in this and other tariffs of Citizens Telephone Company of Kecksburg.
11. Residence Lifeline Service cannot be resold by the Lifeline customer or the Lifeline customer's agent(s).
12. Resale of Lifeline Services are subject to wholesale rate obligations under Section 251 (c)(4) of the Telecommunications Act of 1996.
13. All outstanding charges, account balances and service restrictions apply to existing customers who qualify for Lifeline Service. Service restrictions will remain until the arrearage(s) have been paid in full.
14. Any Lifeline customer who has a past due balance of Toll Charges will be treated with the appropriate Chapter 64 regulations. The Residence Toll Restoral Charge applies to Lifeline Customers who are suspended for non-payment and who subsequently pay their outstanding toll charges and request toll restoral. If a Lifeline customer is toll restricted for a second occurrence the Company may, at its discretion, place the Lifeline customer on permanent toll restriction.
15. Toll-Blocking and Toll-Control services will be provided at no charge to Lifeline Service subscribers, to the extent that they are offered.

(C)

(C) Indicates Change

Issued: March 30, 2012

Effective: April 2, 2012

Citizens Telephone Company  
of Kecksburg

Section 3  
Third Revised Sheet 8  
Cancels Second Revised Sheet 8

LIFELINE SERVICE

C. LIFELINE SERVICE DIAL TONE LINE MONTHLY RATE

1. Applicable Residence Dial Tone monthly rate minus \$9.25 <sup>(I)</sup> (I)
- \* \* \* (C)
2. Lifeline Service is subject to all applicable state, local and federal taxes, and surcharges, and to all applicable tariff rates, charges, surcharges and regulations. (C)

NOTE:

- <sup>(1)</sup> See FCC Public Notice released May 1, 2012, In re: *Lifeline and Link Up Reform and Modernization et al.*, Report and Order and Further Notice of Proposed Rulemaking, WC Docket Nos. 11-42 et al., CC Docket No. 96-45, FCC 12-11 (rel. Feb. 6, 2012). (C)

(I) Indicates Increase  
(C) Indicates Change

Issued: June 29, 2012

Effective: August 1, 2012



Company	Citizens Telephone Company of Kecksburg
Study Area Code	170156
Supplemental Data For:	Line 3010b – 5 Year Plan Milestone Certification

---

This certification is embedded within the 5 year plan update that has been filed.

REDACTED - FOR PUBLIC INSPECTION

**CITIZENS TELEPHONE COMPANY OF KECKSBURG  
FINANCIAL STATEMENTS  
DECEMBER 31, 2015 AND 2014**

## **CITIZENS TELEPHONE COMPANY OF KECKSBURG**

### **Contents**

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Financial statements for the years ended December 31, 2015 and 2014	
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Statements of income	3
Statements of retained earnings	4
Statements of cash flows	5
Notes to financial statements	6 - 10
Supplemental schedules for the years ended December 31, 2015 and 2014	
Property schedule	11
Statements of operating revenues	12
Statements of operating expenses	13

# THOMAS R. BERNARD

CERTIFIED PUBLIC ACCOUNTANT

1485 Old Route 119 Hwy North  
Indiana, PA 15701  
TEL (724) 349-8030  
FAX (724) 349-9677

Board of Directors, Stockholders and Officers  
Citizens Telephone Company of Kecksburg  
Mammoth, Pennsylvania

## Independent accountant's review report

I have reviewed the accompanying financial statements of Citizens Telephone Company of Kecksburg (a corporation), which comprise the balance sheets as of December 31, 2015 and 2014, and the related statements of income and retained earnings and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

## **Managements responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

## **Accountant's responsibility**

My responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

## **Conclusion**

Based on my reviews, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

My reviews were made for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The information in the accompanying schedules are presented only for purposes of additional analysis and has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and I am not aware of any material modifications that should be made thereto.

 Thomas R. Bernard, CPA

March 7, 2016  
Indiana, Pennsylvania

## CITIZENS TELEPHONE COMPANY OF KECKSBURG

## BALANCE SHEETS

DECEMBER 31

2015

2014

## ASSETS

**Current assets**

Cash and temporary investments

Accounts receivable

Inventories

Prepaid expense

Total current assets

**Property**

Land

Building

Equipment

Total utility property

Less accumulated depreciation

Net utility property

**Other assets**

Total

## LIABILITIES AND STOCKHOLDERS' EQUITY

**Current liabilities**

Short term debt

Accounts payable

Customer deposits

Accrued profit-sharing and retirement

Accrued other taxes

Accrued income taxes

Total current liabilities

**Long term debt****Deferred income taxes****Stockholders' equity**

Common stock [REDACTED] par value

Retained earnings

Treasury stock

Total stockholders' equity

Total

**CITIZENS TELEPHONE COMPANY OF KECKSBURG**  
**STATEMENTS OF INCOME**  
**FOR THE YEARS ENDED DECEMBER 31**

2015

2014

**Operating revenues**

Local service

Access service

Long distance service

Miscellaneous

Less uncollectible amounts

**Total operating revenues**

**Operating expenses**

Plant specific

Plant non-specific

Network and other

Depreciation

Customer operations

Corporate operations

Other operating income and expenses

**Total operating expenses**

**Net operating revenues**

**Operating taxes**

Current income taxes

Deferred income taxes

Other operating taxes

**Total operating taxes**

**Net operating income**

Other income (expense)

**Income available for fixed charges**

Interest and related expense

**Net (loss) income**

**CITIZENS TELEPHONE COMPANY OF KECKSBURG**  
**STATEMENTS OF RETAINED EARNINGS**  
**FOR THE YEARS ENDED DECEMBER 31**

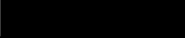
2015

2014

Balance at beginning of year

**Net income (loss)**

Cash dividends

Common stock -  per share, respectively

**Balance at end of year**



**CITIZENS TELEPHONE COMPANY OF KECKSBURG**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31**

2015

2014

**Cash flows from operating activities**

Cash received from customers

Cash paid to suppliers and employees

Interest and other income

Interest paid

Income taxes paid

Net cash provided by operating activities

**Cash flows from investing activities**

Property and equipment acquired

Invested in affiliate

Net cash used in investing activities

**Cash flows from financing activities**

Line of credit - net

Long term debt proceeds

Long term debt repayment

Dividends paid

Net cash used in financing activities

**Net cash (decrease) increase**

Cash, beginning

Cash, ending

**RECONCILIATION OF NET INCOME TO CASH PROVIDED BY OPERATING ACTIVITIES**

**Net (loss) income**

**Adjustments**

Depreciation and amortization

Deferred income taxes

Subsidiary (income) loss

Change in assets and liabilities

(Increase) decrease in accounts receivable

(Increase) decrease in inventory

(Increase) decrease in prepaid expense

Increase (decrease) in accounts payable

Increase (decrease) in income tax payable

Increase (decrease) in other liabilities

Total adjustments

Net cash provided by operating activities

**CITIZENS TELEPHONE COMPANY OF KECKSBURG**  
**NOTES TO FINANCIAL STATEMENTS**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and financial reporting policies of the Company conform with applicable regulations of the Pennsylvania Public Utility Commission, which are consistent in all material respects with generally accepted accounting principles. The following is a description of the significant accounting policies and practices used by the Company.

**Cash and equivalents**

For purposes of the balance sheets and statements of cash flows, the Company considers non-restricted, highly liquid short-term investments that have an original maturity of three months or less to be cash equivalents.

**Allowance for uncollectible accounts**

Accounts are written-off when deemed to be uncollectible. No allowance for uncollectible accounts has been established by management.

**Property**

Telephone plant in service is stated at cost.

Depreciation is provided on a straight-line basis over estimated useful lives of 50 years for buildings and 4 to 32 years for equipment.

Retirements relating to replacement of telephone plant and equipment are accounted for in accordance with applicable regulations of the Pennsylvania Public Utility Commission. Accordingly, the original costs of facilities retired, plus costs of removal and net of salvage or other credits, are charged to accumulated depreciation.

Expenditures for maintenance, repairs and renewals are charged to operations as incurred.

**Inventories**

Inventories are valued at average cost, which does not exceed market.

**Deferred income taxes and tax benefits**

Deferred income taxes are provided to reflect the tax effects of certain timing differences between tax reporting and financial reporting. Investment tax credits are amortized over a twenty-year period for financial statement purposes, but are taken as a credit for tax purposes in the year in which earned. A consolidated tax return is filed for federal purposes.

Additionally, the Company uses the accelerated cost recovery depreciation for income tax purposes only.

**Pension plan**

The Company has a money purchase plan covering substantially all employees. The assets of the plan consist of investments to provide for future benefit payments. Contributions to the plan are paid by the Company and employees.

**Group concentration of credit risk**

The Company provides telephone service for approximately 3,451 access lines in Westmoreland County, Pennsylvania. Additional revenues are received from various interstate carriers based on customer usage.

At various times during the year, the Company had cash balances in excess of the FDIC insurance limit. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000.

(continued)

**Use of estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**2. OTHER ASSETS**

The Company conducts non-regulated phone lease and sales activity. Leased equipment is depreciated by the straight-line method over a period of ten years.

The Company also entered the cable communication industry by forming "Citizens Telecommunications Technologies, Inc., Inc." a wholly owned subsidiary. Accordingly, the subsidiary recorded net earnings of [REDACTED] for the year ended December 31, 2015. The results of operation for the year ended December 31, 2014 reflect net income of [REDACTED]

Components of non-regulated assets at December 31, 2015 and 2014 are as follows:

	2015	2014
Equity in subsidiary	[REDACTED]	
Non regulated assets		

**3. INCOME TAXES**

Deferred income tax liabilities are applicable to the following as of December 31:

	2015	2014
Accelerated depreciation and other	[REDACTED]	
Deferred income tax liability		

The deferred income tax provision is comprised of the following for the respective years ended December 31:

	2015	2014
Accelerated depreciation and other	[REDACTED]	
Deferred income tax provision		

The effective tax rate was different from the United States statutory rate for the reasons set forth in the table below:

	2015	2014
Statutory rate	[REDACTED]	
Accelerated depreciation		
Life insurance		
Other		
Effective tax rate		

(continued)

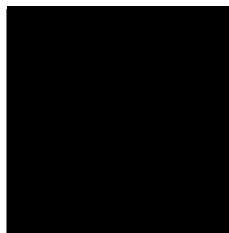
#### 4. DEBT

Debt as of December 31 consisted of the following:

	2015	2014	
Fifth Third Bank payable in monthly installments at [REDACTED] interest rates through 2022			
Fifth Third Bank payable in monthly installments at [REDACTED] interest rates through 2021			
Fifth Third Bank payable in monthly installments at [REDACTED] interest rates through 2020			
Fifth Third Bank payable in monthly installments at [REDACTED] interest rates through 2020			
Fifth Third Bank payable in monthly installments at [REDACTED] interest rates through 2020			
Fifth Third Bank payable in monthly installments at [REDACTED] interest rates through 2020			
Fifth Third Bank payable in monthly installments at [REDACTED] interest rates through 2019			
PNC Bank payable in monthly installments at [REDACTED] interest rates through 2018			
Ally payable in monthly installments at [REDACTED] interest rates through 2017			
Total			
Less current maturities of debt			
Long-term debt			

Aggregate maturities of debt for the years subsequent to December 31, 2015 are as follows:

2016  
2017  
2018  
2019  
2020  
After



#### 5. COMMON STOCK

The authorized and issued common stock of the Company at December 31, 2015 and 2014 consisted of [REDACTED] shares of common stock.

The Company had offered to acquire shares of its outstanding stock from existing stockholders. Accordingly, the following table represents the shares and related cost in acquiring treasury stock under this program. (continued)

Year	Shares	Cost
1991		
2001		
2002		
2003		
2004		
2005		
2007		
Totals		

## 6. PENSION AND PROFIT SHARING PLANS

The Company maintains a pension plan covering substantially all of its employees. Contributions to the Plan are made based on eligible compensation paid to the participants during the Plan year. Participants may also contribute a percentage of their compensation which is matched by the Company with certain limitations. The Company's contribution to the Plan for 2015 and 2014 was [REDACTED] respectively.

## 7. NONCONSOLIDATED SUBSIDIARIES

Citizens Telephone Company of Kecksburg formed Citizens Telecommunications Technologies, Inc. (Technologies) and Citizens Telecom Solutions LLC (Solutions), as wholly owned subsidiaries, to provide cable television, internet, long distance phone and other services. The subsidiary's planned principal operation commenced during 1996 and is in the process of developing additional markets for the services available.

The subsidiaries have long term financing to repay a line of credit and complete the cable and other communication projects. Debt as of December 31, 2015 and 2014 is comprised of the following:

	2015	2014
Fifth Third Bank payable in monthly installments at [REDACTED] interest through 2022		
Fifth Third Bank payable in monthly installments at [REDACTED] interest through 2021		
Fifth Third Bank payable in monthly installments at [REDACTED] interest through 2020		
Fifth Third Bank payable in monthly installments at [REDACTED] interest through 2019		
Fifth Third Bank payable in monthly installments at [REDACTED] interest through 2019		
Total		
Less current maturities of debt		
Long-term debt		

Citizens Telephone Company of Kecksburg has guaranteed the repayment of this debt.

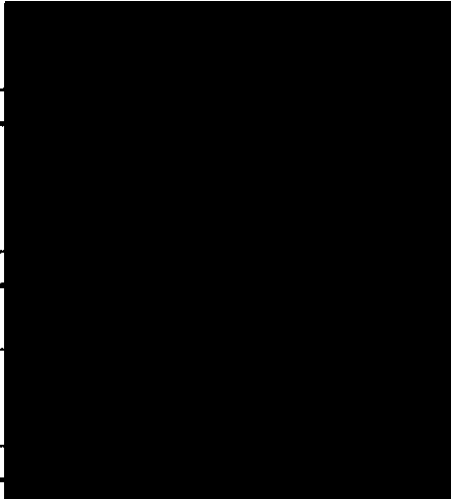
(continued)

Aggregate maturities of debt for the years subsequent to December 31, 2015 are as follows:

2016  
2017  
2018  
2019  
After



Condensed financial information for Citizens wholly owned subsidiaries for December 31, 2015 and 2014 is as follows:

<b>Summarized balance sheets</b>	<b>2015</b>	<b>2014</b>
Current assets		
Property - net		
Total assets		
Current liabilities		
Debt		
Equity		
Total liabilities		
<b>Summarized income statements</b>		
Revenue		
Expense		
Net income		

(concluded)

**CITIZENS TELEPHONE COMPANY OF KECKSBURG  
PROPERTY SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Beginning	Additions	Retirements	Ending
<b>Property in service</b>				
Land				
Motor vehicles				
Garage work equipment				
Other work equipment				
Buildings				
Furniture				
Office equipment				
General purpose computers				
Central office switching				
Digital switch				
Other circuit equipment				
Customer Premises Wiring				
Public telephone terminal equipment				
Other terminal equipment				
Poles				
Aerial cable				
Underground cable				
Underground fiber				
Buried cable				
Aerial wire				
Conduit systems				
Under construction				
<b>Total utility property</b>				

REDACTED - FOR PUBLIC INSPECTION

See independent accountant's review report and notes to financial statements.

**CITIZENS TELEPHONE COMPANY OF KECKSBURG  
STATEMENTS OF OPERATING REVENUES  
FOR THE YEARS ENDED DECEMBER 31**

2015

2014

Basic local service revenue  
Custom calling features  
Cellular mobile revenue  
Public telephone revenue

**Local service**

Switched access revenue  
Intrastate Miscellaneous Access Revenue  
End user revenue  
Federal universal service charge  
State switched access revenue

**Access service**

Long distance message revenue  
Other distance revenue settlements

**Long distance service**

Carrier billing and collection - intrastate  
Carrier billing and collection - interstate  
Directory revenue  
Miscellaneous revenue  
Other incidental regulated revenue

**Miscellaneous**

**Uncollectible revenue**

**Total operating revenues**



**CITIZENS TELEPHONE COMPANY OF KECKSBURG**  
**STATEMENTS OF OPERATING EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31**

2015

2014

Digital electronic expense  
Land and building expense  
Aerial cable expense  
Other work equipment expense  
Motor vehicle expense  
Pole expense  
General purpose computer  
Aerial wire expense  
Buried cable expense  
Circuit equipment expense  
Underground cable expense  
Office equipment expense  
Public telephone expense

**Plant specific**

Access expense  
Plant operations administrations  
Testing expense  
Power expense  
Network administration expense  
Access expense dips

**Network and other**

**Depreciation expense - telephone plant**

Customer services billing  
Customer services  
Contract operator services  
Number services  
C A B S services billing  
Product advertising

**Customer operations**

Accounting and finance  
Other general and administrative  
Executive  
Legal  
Research and development  
External relations  
Information management  
Planning

**Corporate operations**

**Other (gains) and losses**

**Total operating expenses**

